

PROCEEDINGS AGAINST HERMAN ORMAN FOR
CONTEMPT OF THE SENATE

SEPTEMBER 18 (legislative day, SEPTEMBER 13), 1951.—Ordered to be printed

Mr. O'CONOR, from the Special Committee To Investigate Organized
Crime in Interstate Commerce, submitted the following

REPORT

[To accompany S. Res. 211]

The Special Committee To Investigate Organized Crime in Interstate Commerce, as created and authorized by the United States Senate by Senate Resolution 202, Eighty-first Congress, second session, and as extended by Senate Resolution 129, Eighty-second Congress, first session, caused to be issued two subpoenas to Herman Orman, of Margate, N. J.

The first subpoena directed Herman Orman to be and appear before the said committee on July 6, 1951, at 10 a. m., at room 326, Hotel Traymore, Illinois and Boardwalk Atlantic City, N. J., then and there to testify touching matters of inquiry committed to said committee, to produce certain records and documents, and not to depart without leave of said committee. The date of issuance of the subpoena was the 3d day of July 1951. Attendance pursuant to said subpoena was duly had on August 6, 1951, and August 7, 1951, at which times the witness appeared. The first subpoena served upon said Herman Orman is set forth as follows:

UNITED STATES OF AMERICA

CONGRESS OF THE UNITED STATES

To Mr. HERMAN ORMAN, 105 South Lancaster Avenue, Margate, N. J., Greeting:

Pursuant to lawful authority, you are hereby commanded to appear before the Senate Committee To Investigate Organized Crime in Interstate Commerce of the Senate of the United States, on Friday, July 6, 1951, at 10 o'clock a. m., at their committee room No. 326, Hotel Traymore, Illinois and Boardwalk, Atlantic City, N. J., then and there to testify what you may know relative to the subject matters under consideration by said committee. You are also hereby commanded to then and there produce all your records, papers, statements, and documents concerning business, employment, and financial transactions and a copy of your income-tax returns for the years 1947, 1948, 1949, and 1950.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided. To Robert Rehman to serve and return.

Given under my hand, by order of the committee, this 3d day of July, in the year of our Lord one thousand nine hundred and fifty-one.

HERBERT R. O'CONOR,
*Chairman, Senate Committee To Investigate
Organized Crime in Interstate Commerce.*

The second subpoena directed Herman Orman to be and appear before the said committee on July 17, 1951, at 2 p. m., at room 532, Hotel Traymore, Illinois and Boardwalk, Atlantic City, N. J., then and there to testify touching matters of inquiry committed to said committee, to produce certain records and documents, and not to depart without leave of said committee. The date of issuance of the subpoena was the 10th day of July 1951. Attendance pursuant to said subpoena was duly had on July 17, 1951, at which time the witness appeared. The second subpoena served upon said Herman Orman is set forth as follows:

UNITED STATES OF AMERICA

CONGRESS OF THE UNITED STATES

To Mr. HERMAN ORMAN, 105 South Lancaster Avenue, Margate, N. J., Greeting:

Pursuant to lawful authority, you are hereby commanded to appear before the Special Committee To Investigate Organized Crime in Interstate Commerce of the Senate of the United States, on July 17, 1951, at 2 o'clock p. m., at their committee room 532, Hotel Traymore, Illinois and Boardwalk, Atlantic City, N. J., then and there to testify what you may know relative to the subject matters under consideration by said committee. You are also hereby commanded to then and there produce all your records, papers, statements, and documents concerning business, employment, and financial transactions and a copy of your income-tax returns for the years 1947, 1948, 1949, and 1950. You are also specifically commanded to then and there produce the book containing your financial transactions for the year 1951, which book you have heretofore produced at a hearing held by the aforesaid committee on July 6 and 7, 1951.

Hereof fail not, as you will answer your default under the pains and penalties in such cases made and provided. To Robert F. Morten to serve and return.

Given under my hand, by order of the committee, this 10th day of July, in the year of our Lord one thousand nine hundred and fifty-one.

HERBERT R. O'CONOR,
*Chairman, Committee To Investigate Organized
Crime in Interstate Commerce.*

The first subpoena, issued under date of July 3, 1951, was duly served by Robert Rehman, and the second subpoena, issued under date of July 10, 1951, was duly served by Robert F. Morten, both persons having been duly authorized to serve the respective subpoenas.

The said Herman Orman, pursuant to said subpoenas and in compliance therewith, appeared before the said committee to give such testimony as required by virtue of Senate Resolution 202, Eighty-first Congress, second session, and Senate Resolution 129, Eighty-second Congress, first session. Herman Orman having appeared as a witness and having been asked questions which questions were pertinent to the subject matter under inquiry, refused to disclose the contents of certain records and documents which he had been directed by the subpoenas to produce, and made answers as appeared in the records of the hearings held on July 6, 1951, and July 7, 1951, in rooms 325-326, Hotel Traymore, Atlantic City, N. J., and on July 17, 1951, in room 532, Hotel Traymore, Atlantic City, N. J., which records are annexed hereto and made a part hereof and designated "Annex I."

As a result of said Herman Orman's refusal to disclose the contents of certain records and documents which he had been directed by the subpoena to produce and to answer the questions pursuant to the said inquiry, as appears in the records annexed, consisting of an excerpt from the testimony of July 6, 1951, and all of the testimony of July 7, 1951, and July 17, 1951, the committee was prevented from receiving testimony and evidence concerning the matter committed to said committee in accordance with the terms of said subpoenas served upon the witness.

The committee was therefore deprived of answers to questions pursuant to the committee's inquiry propounded to Herman Orman pertinent to the subject matter which under Senate Resolution 202, Eighty-first Congress, second session, and Senate Resolution 129, Eighty-second Congress, first session, the said committee was instructed to investigate, and the refusal of the witness to disclose the contents of certain records and documents which he had been directed by the subpoena to produce and to answer said questions is a violation of the subpoenas under which the witness was directed to appear and answer questions pertinent to the subject under inquiry and to produce certain records and documents, and his persistent and illegal refusal to disclose the contents of the aforesaid records and documents and to answer the aforesaid questions deprived the committee of necessary and pertinent testimony and evidence and places this witness in contempt of the United States Senate.

The subcommittee hearing at which said witness refused to disclose the contents of the aforesaid records and documents and to answer said questions was duly authorized by the following resolution of the said committee, which was unanimously adopted by said committee on July 5, 1951:

Resolved, That the chairman of this committee be, and he hereby is, authorized to appoint, at his discretion, one or more subcommittees, consisting of one or more members of this committee, of whom one member shall constitute a quorum, for the purpose of taking sworn testimony, to hold hearings in furtherance of the committee's investigations of organized crime, at such times and at such places as the chairman shall designate in the vicinities of the cities of Atlantic City, New Jersey, and Newark, New Jersey.

HERBERT R. O'CONOR, *Chairman*.
CHARLES W. TOBEY.
LESTER C. HUNT.
ESTES KEFAUVER.
ALEXANDER WILEY.

In accordance with the resolution of July 5, 1951, the chairman designated Senator Lester C. Hunt as a subcommittee of one to swear witnesses and to hear testimony at Atlantic City, N. J., on July 6, 1951, July 7, 1951, and July 17, 1951. The said Herman Orman appeared and testified before the said subcommittee at the executive hearings which were held on July 6, 1951, and July 7, 1951, in rooms 325-326, Hotel Traymore, Atlantic City, N. J., and on July 17, 1951, in room 532, Hotel Traymore, Atlantic City, N. J.

After reviewing the testimony and other facts as set forth herein, the committee at an executive session held on August 27, 1951, adopted a resolution authorizing presentation to the Senate of a Senate resolution requiring that proceedings for contempt be brought

against the said Herman Orman, as appears from the following excerpt from the minutes of the said meeting of August 27, 1951:

A meeting of the committee was held in the office of Senator Herbert R. O'Connor, room 248 of the United States Senate Office Building, on August 27, 1951, at 12:30 p. m.

Present were Senators O'Connor (chairman), Hunt, Kefauver, and Wiley.

Also present was Richard G. Moser, chief counsel.

The chairman presented to the committee the resolution which was unanimously adopted by the committee on July 5, 1951, authorizing the chairman of the committee to appoint one or more subcommittees to hold hearings in the vicinities of the cities of Atlantic City, N. J., and Newark, N. J.

The chairman stated to the committee that, pursuant to the said resolution of July 5, 1951, he had designated Senator Lester C. Hunt as a subcommittee of one to swear witnesses and to hear testimony in connection with organized crime at Atlantic City, N. J., on July 6, 1951, July 7, 1951, and July 17, 1951. The chairman then presented to the committee the reports of the proceedings of the executive hearings which were held by the subcommittee on July 6, 1951, and July 7, 1951, in rooms 325-326, Hotel Traymore, Atlantic City, N. J., and on July 17, 1951, in room 532, Hotel Traymore, Atlantic City, N. J. The chairman stated to the committee that the witness, Herman Orman, repeatedly, consistently, and arbitrarily had refused to answer questions propounded to him throughout the committee's examination of this witness on July 17, 1951, and that on July 7, 1951, and July 17, 1951, the witness, Herman Orman, repeatedly and arbitrarily had refused to disclose to the committee the contents of said records and documents which he had been directed by the subpoena to produce, and that this refusal on the part of the witness was, therefore, improper and contemptuous. The chairman presented to the committee, for its consideration, a draft report on the entire matter, and the committee duly adopted the said report and instructed the chairman to present it to the United States Senate.

After discussion, on motion duly made by Senator Kefauver and seconded by Senator Hunt, the following resolution was unanimously adopted:

"Resolved, That the committee present to the United States Senate, for its immediate action, a resolution requiring the United States attorney for the district of New Jersey to proceed against the said Herman Orman in the manner and form prescribed by law."

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HERBERT R. O'CONNOR, *Chairman.*
LESTER C. HUNT.
ESTES KEFAUVER.
ALEXANDER WILEY.

ANNEX I

INVESTIGATION OF ORGANIZED CRIME IN INTERSTATE COMMERCE

UNITED STATES SENATE,
SPECIAL COMMITTEE TO INVESTIGATE
ORGANIZED CRIME IN INTERSTATE COMMERCE,
Atlantic City, N. J., Friday, July 6, 1951.

EXECUTIVE SESSION

The subcommittee met, pursuant to notice, at 10 a. m., in rooms 325-326, Hotel Traymore, Atlantic City, N. J., Senator Lester C. Hunt, of Wyoming, presiding.

Present: Senator Hunt.

Also present: Samuel M. Lane, special counsel; Robert F. Morten, assistant counsel; and John J. Winberry, special consultant.

* * * * *

Senator HUNT. Your name is Mr. Orman?

Mr. ORMAN. That is right, sir.

Senator HUNT. Will you hold up your right hand? Do you solemnly swear the information you are about to give this committee will be the truth, the whole truth, and nothing but the truth, so help you God?

Mr. ORMAN. I do.

TESTIMONY OF HERMAN ORMAN, ATLANTIC CITY, N. J.

* * * * *

Mr. LANE. Hartfield went in with you in the Cosmopolitan Hotel?

I meant to ask you originally, Mr. Orman: Do you appear before the committee under subpoena?

Mr. ORMAN. I do, sir.

Mr. LANE. Will you produce the subpoena?

Mr. ORMAN. Yes, sure.

(The witness produced the subpoena.)

Mr. LANE. May I have the subpoena marked?

Senator HUNT. The subpoena will be marked "Exhibit L." It is the subpoena which has been issued by the Congress of the United States on Herman Orman on Friday, July 6.

(The subpoena referred to was marked "Exhibit L" and is on file with the special committee.)

Mr. LANE. This subpoena is a subpoena duces tecum, Mr. Orman, which calls for the production of all your records, papers, statements and documents concerning business, employment, and financial transactions, and a copy of your income-tax returns for the years, 1947, 1948, 1949, and 1950. Have you brought those with you?

Mr. ORMAN. I brought my income-tax returns.

Mr. LANE. For those years?

Mr. ORMAN. Yes, sir.

Mr. LANE. Will you produce them?

Mr. ORMAN. Yes, sir.

(The afore-mentioned tax returns were produced by the witness.)

Mr. LANE. May I have those marked?

Senator HUNT. For the record, we have received income-tax returns of Herman Orman for the years 1950, 1949, 1948, 1947. They will be received in the record and designated as exhibit M.

(The afore-mentioned tax returns were marked "Exhibit M" and are on file with the special committee.)

Mr. LANE. I understood you to say, Mr. Orman, that the information appearing on those returns was given by you to the public accountant who made up the returns. Is that true? You gave him the figures and he filed the return? He filled in the items?

Mr. ORMAN. That is right, sir.

Mr. LANE. Have you brought with you the records in which you kept the account of those items?

Mr. ORMAN. No. I mislaid them. There is not much to keep. I can explain them. Ask me what you want to know.

Mr. LANE. Take the year 1950. Do you have records of your income in 1950?

Mr. ORMAN. I think it will state on there what my income was.

Mr. LANE. I am not asking you what appears on the exhibit, but I am asking you whether you have at your office or at your home records indicating all business transactions that you had in 1950.

Mr. ORMAN. No; I do not have them. I do not know what I did with them.

Mr. LANE. Do you keep any records, Mr. Orman?

Mr. ORMAN. I sort of keep a little diary of what I take in.

Mr. LANE. How long have you made it a practice to keep a diary?

Mr. ORMAN. I mean a book. When I get anything in, I record it. I used to keep it on one of those yellow pieces of paper, and I mislaid it after I filed my income return.

Mr. LANE. Now you keep it in a book?

Mr. ORMAN. Since 1951.

Mr. LANE. Beginning in January 1951.

Mr. ORMAN. Yes, sir.

Mr. LANE. Can you produce that book?

Mr. ORMAN. For 1951?

Mr. LANE. Yes.

Mr. ORMAN. Yes, sure.

Mr. LANE. We won't finish with you tonight. Will you produce that book tomorrow morning?

Mr. ORMAN. Yes, sure.

Mr. LANE. Will you direct the witness to produce the book for 1951?

Senator HUNT. The acting chairman of the subcommittee directs the witness, Mr. Orman, to produce his book containing the records of his business transactions for the year 1951.

Mr. ORMAN. All right, sir.

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INVESTIGATION OF ORGANIZED CRIME IN INTERSTATE COMMERCE

UNITED STATES SENATE,
SPECIAL COMMITTEE TO INVESTIGATE
ORGANIZED CRIME IN INTERSTATE COMMERCE,
Atlantic City, N. J., Saturday, July 7, 1951.

EXECUTIVE SESSION

The subcommittee met, pursuant to adjournment, at 9 a. m., in rooms 325-326, Hotel Traymore, Atlantic City, N. J., Senator Lester C. Hunt, of Wyoming, presiding.

Present: Senator Hunt.

Also present: Samuel M. Lane, special counsel; Robert F. Morten, assistant counsel; and John J. Winberry, special consultant.

Mr. LANE. May we resume?

Senator HUNT. I presume no opening statement is needed, counsel. If you will, proceed with the questioning.

TESTIMONY OF HERMAN ORMAN, ATLANTIC CITY, N. J.—Resumed

Mr. ORMAN. Before you start, may I correct myself of one statement yesterday? I think you asked me if I had any other bank account, and I do have another bank account in the Guaranty Trust Co., which is under my personal name. It has been there in the last few months since the dissolution of the Cosmopolitan Hotel Corp.

Mr. LANE. Is there another thing you want to tell us?

Mr. ORMAN. Yes. You had me a bit perturbed. I tried to find out whom I spoke to yesterday. I spoke to Mr. Abadan and Mr. Feinberg, who happened to come out of the Guaranty Trust Co.

Mr. LANE. You mean the day before?

Mr. ORMAN. Thursday. Then I saw him again Thursday afterward, at my hotel.

Mr. LANE. How long were you with him then?

Mr. ORMAN. I don't know. That is unimportant. Maybe 10 minutes, maybe 20 minutes.

Mr. LANE. What did you talk to him about, then?

Mr. ORMAN. I talked to him about some lease then. It had nothing to do with this, whatever.

Mr. LANE. Did you talk to him about this inquiry?

Mr. ORMAN. Nothing to do with this whatsoever.

Mr. LANE. You didn't ask him about advice in connection with this inquiry?

Mr. ORMAN. No; I didn't think I needed it.

Mr. LANE. I see you produced a book which relates to the 1951 income?

Mr. ORMAN. You are taking that for granted.

Mr. LANE. You said you would bring that, and I see you have such a book.

Mr. ORMAN. I do.

Mr. LANE. Will you produce that?

Mr. ORMAN. Yes; sure.

(The witness produced the book.)

Mr. LANE. Can you tell us what your gross income was, roughly, for the first 6 months of 1951?

Mr. ORMAN. Can I tell you what it was, roughly?

Mr. LANE. Yes.

Mr. ORMAN. Not off hand, somewhere between \$15,000 to \$16,000.

Mr. LANE. Will this book indicate all of your income for 1951, to date?

Mr. ORMAN. As far as I know.

Mr. LANE. Can you, by running quickly through this book, indicate such an income as \$15,000 or \$16,000?

Mr. ORMAN. Yes. Let me have it. I am more familiar with it. I know my own figures.

Senator HUNT. At this time, I want to ask that there be taken into the record an open letter addressed to the United States Senate Crime Committee, Senator Kefauver, chairman. It is signed by the Jersey Times. That letter will be exhibit O.

(The letter referred to was marked "Exhibit O," and will be found in the files of the Special Committee.)

Mr. LANE. We do not want to deprive you of that book. Will you simply read into the record the financial records you have?

Mr. ORMAN. I will give you the gross amounts. I will read you the gross amounts.

Mr. LANE. We can do one of two things: We can either impound the book or we can give it back to you.

Mr. ORMAN. I do not want this to be made public. I think this is my own personal business. This record is going to be made public and a lot of statements will be made like in yesterday's paper. Some of them do not mean anything.

Mr. LANE. Will you let me have the book?

Mr. ORMAN. No. I do not think I will let you have the book unless I know my business is not going to be made public. I think I am entitled to that courtesy.

Mr. LANE. Will you call upon the witness, Senator, to show us the record that he had handed to us? I have looked at it very briefly. There are not many entries in it. To expedite the hearing, I have asked that he read those entries into the record. He refuses to do so. Will you direct him to do so?

Senator HUNT. The chairman of the subcommittee directs that you read to the committee the entries that you have in the book in your hand.

Mr. ORMAN. Mr. Chairman, they do not mean a thing, these entries in here. I think I am entitled to some rights. I have some rights.

Senator HUNT. There will be no argument at all. I direct you to do that. You can either state you will or will not.

Mr. ORMAN. I will not.

Senator HUNT. I am not threatening you. I might say, however, that you understand you are being placed in a position where you might be cited for contempt?

Mr. ORMAN. I understand that very well.

Senator HUNT. Will you turn that book over to the stenographer so he can give it an exhibit number?

Mr. ORMAN. With the provision that I get it back.

Senator HUNT. All right; with that provision.

It will be marked "Exhibit P."

(The book referred to was marked "Exhibit P," and was returned to the witness.)

Mr. LANE. I asked you yesterday about your income, Mr. Orman, for prior years, and you produced your tax returns. I note in the tax returns for 1950 that you have other income, \$12,100. Can you tell us the source of the \$12,100?

Mr. ORMAN. I just don't recall.

Mr. LANE. This is last year I am talking about.

Mr. ORMAN. No, I do not have any records for last year.

Mr. LANE. Give us any substantial item.

Mr. ORMAN. It may have been some item from the track last summer, between \$5,000 or \$6,000, which was done for me by another person.

Mr. LANE. By whom?

Mr. ORMAN. Joseph Friedman.

Mr. LANE. Is Joseph Friedman a bookmaker in town?

Mr. ORMAN. He is not a bookmaker. He used to go to the track every day.

Mr. LANE. Did he make a practice of betting for you?

Mr. ORMAN. He didn't make a practice of that. He is dead now. He used to do that every time in the summer when the tracks were open.

Mr. LANE. You were called upon yesterday to produce your records, papers, statements, and documents, concerning your business, employment, and financial transactions, and you have said this morning you do not have them with you.

Mr. ORMAN. I do not have anything other than what you have had before you.

Mr. LANE. Do you have them in some other place?

Mr. ORMAN. I do not.

Mr. LANE. Did you make a search for them last night?

Mr. ORMAN. I didn't have them. I didn't have to. When the Treasury was in to see me about my income tax in 1947 and 1948, as late as 5 or 6 weeks ago, I searched for that.

Mr. LANE. What other sums make up that income?

Mr. ORMAN. Other things—commissions for different people.

Mr. LANE. For whom?

Mr. ORMAN. I do not know. I cannot pin myself down just to what it was.

Mr. LANE. What sources of income did you have besides what you listed?

Mr. ORMAN. It is on there.

Mr. LANE. In the \$12,100 did you have any salaries in 1950?

Mr. ORMAN. No salaries.

Mr. LANE. Were you working for anybody on a commission?

Mr. ORMAN. Nothing; only what is listed.

Mr. LANE. What is Planetary Recreation, Inc.?

Mr. ORMAN. That is a corporation in the State of New Jersey, in the concession business—Mr. Ellis.

Mr. LANE. Who is Mr. Ellis?

Mr. ORMAN. Mr. Ellis is the president.

Mr. LANE. Are you a stockholder of it?

Mr. ORMAN. No; I am not a stockholder. I did some work for it.

Mr. LANE. Is that a fee?

Mr. ORMAN. That is a contractual fee.

Mr. LANE. Contract for what services?

Mr. ORMAN. For some services rendered to him?

Mr. LANE. What services?

Mr. ORMAN. I got him a concession.

Mr. LANE. Where?

Mr. ORMAN. Food.

Mr. LANE. Where?

Mr. ORMAN. Million-Dollar Pier.

Mr. LANE. Is that a flat fee that you were paid?

Mr. ORMAN. That is right.

Mr. LANE. Can you produce the contract?

Mr. ORMAN. No; I do not have a contract.

Mr. LANE. Was it a written contract?

Mr. ORMAN. No, sir.

Mr. LANE. Was it an agreement between you and Ellis as to how much it should be?

Mr. ORMAN. Yes.

Mr. LANE. Beforehand?

Mr. ORMAN. Yes.

Mr. LANE. With whom did you deal at the Steel Pier?

Mr. ORMAN. I didn't deal with anybody at the Steel Pier.

Mr. LANE. You say you got the concession there?

Mr. ORMAN. That is right.

Mr. LANE. With whom did you negotiate?

Mr. ORMAN. With Mr. Ellis.

Mr. LANE. Mr. Ellis of Planetary?

Mr. ORMAN. That is right.

Mr. ELLIS. With whom, in order to get the concession? You do not own the Steel Pier?

Mr. ORMAN. I didn't say the Steel Pier. I said the Million-Dollar Pier.

Mr. LANE. I beg your pardon. With whom did you deal at the Million-Dollar Pier?

Mr. ORMAN. It may have been Mr. Tubas. It may have been Mr. Harry Schwartz, or it may have been both.

Mr. LANE. Who was it, actually?

Mr. ORMAN. I do not know exactly which one.

Mr. LANE. What part of the year?

Mr. ORMAN. Sometime last year.

Mr. LANE. Was it in the first of the year or the last of the year?

Mr. ORMAN. I do not remember.

Mr. LANE. Was it in the spring or in the fall?

Mr. ORMAN. I do not remember. After all, I put it in my income tax. I paid on it. I don't know else I have to do about it.

Mr. LANE. You had some record?

- Mr. ORMAN. There is the record.
 Mr. LANE. Where is the underlying record?
 Mr. ORMAN. There isn't any. That is the way I keep my books.
 Mr. LANE. Was there \$2,000 paid to you by check or by cash?
 Mr. ORMAN. By cash.
 Mr. LANE. And deposited in your bank account?
 Mr. ORMAN. Yes.
 Mr. LANE. So, presumably, there is a record of the \$2,000 in your bank account?
 Mr. ORMAN. I presume they must have it.
 Mr. LANE. In 1949 you had miscellaneous income of \$14,480.
 Mr. ORMAN. Yes.
 Mr. LANE. What was the source of that income?
 Mr. ORMAN. It may have been an election bet that year and some winnings from horses.
 Mr. LANE. Was it an election bet?
 Mr. ORMAN. Part of it could have been.
 Mr. LANE. Part of it could have been anything. I am asking you whether it was.
 Mr. ORMAN. I am not sure, and I do not remember. I didn't keep any records.
 I do bet on elections, and I may have bet on an election that year in the city.
 Mr. LANE. What election were you betting on?
 Mr. ORMAN. It could have been—
 Mr. LANE. Don't tell me it could have been. Tell me whether it was or it wasn't.
 Mr. ORMAN. I do not remember.
 Mr. LANE. With whom do you place election bets in Atlantic City?
 Mr. ORMAN. I made it through a third party.
 Mr. LANE. Who was the third party?
 Mr. ORMAN. Mr. Friedman.
 Mr. LANE. What is his first name?
 Mr. ORMAN. Joseph.
 Mr. LANE. Where does he operate?
 Mr. ORMAN. He doesn't operate.
 Mr. LANE. He is the man who is dead?
 Mr. ORMAN. That is right.
 Mr. LANE. Where did he operate before he died?
 Mr. ORMAN. He didn't operate.
 Mr. LANE. What was his business.
 Mr. ORMAN. He had a restaurant on the boardwalk, the last business I remember.
 Mr. LANE. What was the name of the restaurant?
 Mr. ORMAN. It is a little place. I do not know whether it had a name. It was at Florida and Milwaukee.
 Mr. LANE. In 1948 you had a miscellaneous income of \$10,650. What was the source of that income?
 Mr. ORMAN. Probably the same thing.
 Mr. LANE. Meaning what?
 Mr. ORMAN. Meaning horses and bets. One of those years I made a pretty good bet on the gubernatorial election. I do not know which one.
 Mr. LANE. Whom did you win the money from?
 Mr. ORMAN. I dealt through a third party.
 Mr. LANE. Who was the third party?
 Mr. ORMAN. Friedman.
 Mr. LANE. Do you have any salaries or commissions in 1948?
 Mr. ORMAN. Only what is in there.
 Mr. LANE. Never mind what is in there. You tell me.
 Mr. ORMAN. What is in there.
 Mr. LANE. What business were you in in 1948?
 Mr. ORMAN. What you see there, my hotel. 1948, maybe the City Service Cab.
 Mr. LANE. You show me.
 Mr. ORMAN. All right.
 Mr. LANE. I show you exhibit M, income-tax return for 1948, and ask you if there is anything in there from the hotel.
 Mr. ORMAN. One year there was something from the hotel. I do not know what year it was. Yellow Cab, \$5,000.
 Mr. LANE. Anything from the Cosmopolitan Hotel?

Mr. ORMAN. No. There is one year where there was something from the Cosmopolitan, \$500.

Mr. LANE. That was in 1947, according to the return. Do you recall there was \$500 in 1947 and nothing in 1948?

Mr. ORMAN. That is right.

Mr. LANE. There being nothing from the hotel in 1948, where did the \$10,000 come from in 1948?

Mr. ORMAN. I don't know.

Mr. LANE. Was there any salary you received in 1948?

Mr. ORMAN. I don't remember.

Mr. LANE. Any business commissions received in 1948?

Mr. ORMAN. I don't remember.

Mr. LANE. Senator, I think you ought to caution the witness that the answer, "I don't remember," is one which will lay him open to the consequences of perjury when it can be demonstrated that he could not have forgotten and that he must remember. He doesn't remember the basic simple facts with regard to his income for 1947, 1948, 1949, and 1950, according to the testimony he has given.

Senator HUNT. I would admonish the witness, if he has any information, it will be better for him to give us the information, because there will be a follow-up, and the testimony we have will be very detrimental to him if he does not tell us just exactly all he knows.

Mr. Orman, it is inconceivable to my way of thinking that a man of your intelligence, of your mental capacity, should expect this committee to believe you when you say "I don't remember" about such important matters as this, which are only a year, 2 years, 3 or 4 years old.

We will start again with the questioning and you may proceed to say again that you do not remember or you may give us the information.

Mr. ORMAN. Right at the present time I do not remember. I do not have the information. I couldn't find it. I do not know what I did with it. As long as I paid my taxes, I thought I could destroy what I had, realizing all the time that the burden would be on me if the Government could produce anything of another nature other than inserted in my income tax. So, all these investigations that I have been going through, I have finished up and, as long as I paid, I felt I was doing the right thing.

Now we are coming into another investigation, a lot of letters and a lot of this, and it doesn't mean anything. I want to try to cooperate.

Mr. LANE. How long have you been under investigation?

Mr. ORMAN. The agents were in two or three times last year for my records and my income-tax returns.

Mr. LANE. When they came to look at your books, did you have underlying records?

Mr. ORMAN. No; I had what I had there.

Mr. LANE. When was the first time they came in?

Mr. ORMAN. I don't remember.

Mr. LANE. Prior to last year?

Mr. ORMAN. Oh, sure.

Mr. LANE. Have you been in the same situation in prior years, unable to explain for want of a record?

Mr. ORMAN. I do not know. I may be in the same situation.

Mr. LANE. Under those circumstances, didn't it seem important to you to keep a record?

Mr. ORMAN. I kept a record until the end of the year.

Mr. LANE. Has your 1950 return been audited?

Mr. ORMAN. By the Treasury?

Mr. LANE. Yes.

Mr. ORMAN. Not to my knowledge. I think my 1948 and 1947 returns were.

Mr. LANE. But your 1949 was not?

Mr. ORMAN. No.

Mr. LANE. Are you going to be prepared with records when it is audited?

Mr. ORMAN. I will only be prepared with what I have.

Mr. LANE. What was the source of the \$12,100 listed in the 1950 return?

Mr. ORMAN. I don't remember.

Mr. LANE. In 1949, "Miscellaneous income," you have listed \$14,480. What was the source of that?

Mr. ORMAN. I don't have the breakdown.

Mr. LANE. In 1948 you listed "Miscellaneous income, \$10,650." What is the source of that?

Mr. ORMAN. I do not have the breakdown.

Mr. LANE. Do you remember any part of it?

Mr. ORMAN. Not outside of some wagers I may have made on elections.

Mr. LANE. Did you have any legitimate income in 1947? I mean, by that, income that was not the result of wagers.

Mr. ORMAN. Only what I think may be there. Some bond interest every year from the Cosmopolitan Hotel in the amount of \$1,200, which I recorded.

Mr. LANE. Did you have a legitimate income in 1948 except the \$5,000 from Yellow Cab Co. of Atlantic City?

Mr. ORMAN. \$5,000 from Yellow Cab Co. and \$1,200 from the Cosmopolitan Hotel bond interest, and some dividends from some stock.

Mr. LANE. What is the value of the stock that you own today?

Mr. ORMAN. \$10,000, maybe \$10,100.

Mr. LANE. Do you know Joe Adonis?

Mr. ORMAN. I met him.

Mr. LANE. How many times have you met him?

Mr. ORMAN. A couple of times.

Mr. LANE. When did you see him last?

Mr. ORMAN. I do not remember. A year ago.

Mr. LANE. When?

Mr. ORMAN. Last year one day. I do not know what day it was.

Mr. LANE. Where?

Mr. ORMAN. Here in Atlantic City.

Mr. LANE. When was the last time you talked to him on the telephone?

Mr. ORMAN. I do not recall. I never spoke to him too many times on the telephone. Maybe spoke to him once or twice.

Mr. LANE. What was the occasion to talk to him?

Mr. ORMAN. I do not remember. To say hello.

Mr. LANE. Did you call him from here to say hello?

Mr. ORMAN. I didn't say I called him from here.

Mr. LANE. Has he called you?

Mr. ORMAN. He called me when he was stopping at the hotel here.

Mr. LANE. What hotel?

Mr. ORMAN. The Brighton. I am not sure.

Mr. LANE. Was this within the last year or two?

Mr. ORMAN. Last year, I think it was.

Mr. LANE. Was it in the summer season or winter?

Mr. ORMAN. Summer.

Mr. LANE. Who was with him?

Mr. ORMAN. I do not remember.

Mr. LANE. Who was with you?

Mr. ORMAN. No one.

Mr. LANE. Did you go down to see him?

Mr. ORMAN. No.

Mr. LANE. You talked to him between your office on the telephone and the Brighton Hotel?

Mr. ORMAN. I think so.

Mr. LANE. What was the subject of your discussion.

Mr. ORMAN. I do not remember.

Mr. LANE. When was the last time you saw him in person?

Mr. ORMAN. About a year ago.

Mr. LANE. Who was with you at the time?

Mr. ORMAN. I do not think there was anyone with me.

Mr. LANE. Where was it?

Mr. ORMAN. In Atlantic City, at my hotel, having dinner.

Mr. LANE. Who was with Adonis?

Mr. ORMAN. Some cousin of his.

Mr. LANE. Man or woman?

Mr. ORMAN. Man.

Mr. LANE. Where was he staying at the time; what hotel?

Mr. ORMAN. I don't know.

Mr. LANE. Do you know Willie Moretti?

Mr. ORMAN. Just heard of him. Don't know him personally.

Mr. LANE. Ever talk to him?

Mr. ORMAN. Not to my knowledge.

Mr. LANE. Do you know Solly Morretti, his brother?

Mr. ORMAN. No.

Mr. LANE. Do you know Fred Klosteman?

Mr. ORMAN. No; not personally.

Mr. LANE. Doesn't Fred Klosteman come to Atlantic City frequently?

Mr. ORMAN. As far as I know, he does, from what I heard. He owns the boathouse here.

Mr. LANE. Owns a yacht, doesn't he?

Mr. ORMAN. I don't know.

Mr. LANE. Have you ever met Fred Klosteman?

Mr. ORMAN. Sure. I met him. He was in my hotel to eat and drink. I don't know him.

Mr. LANE. When did you see him in your hotel?

Mr. ORMAN. Two years ago.

Mr. LANE. Was that the last time?

Mr. ORMAN. As far as I can recall.

Mr. LANE. Where did you see him since that?

Mr. ORMAN. Around the town.

Mr. LANE. Who was with him at the hotel?

Mr. ORMAN. I don't know.

Mr. LANE. You said you had no conversation with him?

Mr. ORMAN. I may have had. I may have talked with him. I do not know. I have no business dealings with the man.

Mr. LANE. Do you know Nig Rosen?

Mr. ORMAN. I know of him.

Mr. LANE. Does he come to Atlantic City off and on?

Mr. ORMAN. Used to.

Mr. LANE. When was the last time you saw him?

Mr. ORMAN. Last year.

Mr. LANE. Where?

Mr. ORMAN. In the hotel to eat.

Mr. LANE. Your hotel?

Mr. ORMAN. Yes.

Mr. LANE. Who was with him?

Mr. ORMAN. I don't know.

Mr. LANE. Was anybody with him?

Mr. ORMAN. I think so. I do not know who.

Mr. LANE. Did you speak to him?

Mr. ORMAN. Yes.

Mr. LANE. When was the last time you talked to him on the telephone?

Mr. ORMAN. I don't remember.

Mr. LANE. Where does he live in Philadelphia?

Mr. ORMAN. I do not know.

Mr. LANE. Have you ever called on him in Philadelphia?

Mr. ORMAN. No.

Mr. LANE. Do you know Abner "Longy" Zwillman?

Mr. ORMAN. No; I don't know him.

Mr. LANE. Have you ever talked with him?

Mr. ORMAN. Not to my knowledge. If I did, I didn't know who I was talking to.

Mr. LANE. Have you ever seen him?

Mr. ORMAN. He may have been pointed out to me one time. I think I saw him the first time I was ever at the Monmouth County Race Track, about 3 or 4 years ago.

Mr. LANE. Who pointed him out to you?

Mr. ORMAN. I don't know.

Mr. LANE. Do you know Cappy Hoffman?

Mr. ORMAN. Yes.

Mr. LANE. Does he come to Atlantic City?

Mr. ORMAN. He used to. I haven't seen him lately.

Mr. LANE. When was the last time you saw him?

Mr. ORMAN. A few weeks ago.

Mr. LANE. Where?

Mr. ORMAN. Down in front of my hotel.

Mr. LANE. Did he have dinner at the hotel?

Mr. ORMAN. Not that day.

Mr. LANE. Who was with him?

Mr. ORMAN. I don't remember.

Mr. LANE. Who was with you?

Mr. ORMAN. I don't remember. I was in front of my hotel.

Mr. LANE. The guy just walked by?

Mr. ORMAN. Maybe he drove by.

Mr. LANE. You know him?

Mr. ORMAN. I have known him for a good many years, maybe 20 years.

Mr. LANE. Isn't he at least an acquaintance of yours?

Mr. ORMAN. You can call him that, if you wish.

Mr. LANE. Would you call him a friend?

Mr. ORMAN. He is an acquaintance. I will put it that way. I have never had any business dealings with him.

Mr. LANE. Have you ever had any social dealings with him?

Mr. ORMAN. No. Social or business; no.

Mr. LANE. Did you know the late Ferdinand Moore?

Mr. ORMAN. Yes.

Mr. LANE. Well?

Mr. ORMAN. Fairly well.

Mr. LANE. Did you know him for years?

Mr. ORMAN. Quite a few years.

Mr. LANE. How long?

Mr. ORMAN. Fifteen to eighteen years.

Mr. LANE. How often did you see Moore?

Mr. ORMAN. I don't know. Maybe 3 or 4 times a year, maybe 10 times a year.

Mr. LANE. Did you see Moore with any regularity at all?

Mr. ORMAN. No. I had no business dealings with Moore to see him with any regularity.

Mr. LANE. Did you ever have any business dealings with Leon Weiner?

Mr. ORMAN. I didn't know him.

Mr. LANE. You didn't know him?

Mr. ORMAN. No, other than knowing he had a store after I read the papers.

Mr. LANE. Did you know Joe Botzo?

Mr. ORMAN. I heard the name. I don't know him personally.

Mr. LANE. Don't you know where he comes from?

Mr. ORMAN. No.

Mr. LANE. Passaic County.

Mr. ORMAN. I know he came from somewhere in North Jersey.

Mr. LANE. What do you know about him?

Mr. ORMAN. Nothing.

Mr. LANE. Do you know the name?

Mr. ORMAN. I have heard the name. I have never had any dealings with him, none whatsoever—socially or any other way.

Mr. LANE. Do you recall a raid that was made on Cohen and Snyder's place in December 1950?

Mr. ORMAN. No.

Mr. LANE. Do you know where Cohen and Snyder's place was?

Senator HUNT. Is Cohen and Snyder's place in town?

Mr. LANE. A place on the boardwalk operated by Cohen and Snyder.

Mr. ORMAN. Not to my knowledge.

Mr. LANE. Was there one in December?

Mr. ORMAN. I don't know of any.

Mr. LANE. Don't you recall a raid made by the members of the police force, John Mooney, Charles Hahn and Hanesberry, on the boardwalk on Cohen and Snyder?

Mr. ORMAN. No. I don't pay attention to that. They attribute a lot of things to me. I don't know about these things. These 200 or 300 bookmaking establishments, which are paper quotes.

Mr. LANE. Senator, we have other witnesses waiting outside, and I do not think it is fair to them to hold them up any longer.

Senator HUNT. Mr. Orman, you will be excused at this time. You will remain under subpoena subject to call of the committee at some future date.

Mr. LANE. Will you instruct him to preserve that book?

Senator HUNT. If you will keep that book available, you may be requested to present it again.

Mr. LANE. Will you ask him to reconsider it?

Mr. ORMAN. With a stipulation.

Senator HUNT. The committee won't make any stipulation.

Mr. ORMAN. I won't have my business exposed to everybody in Atlantic City.

INVESTIGATION OF ORGANIZED CRIME IN INTERSTATE COMMERCE

UNITED STATES SENATE,
SPECIAL COMMITTEE TO INVESTIGATE,
ORGANIZED CRIME IN INTERSTATE COMMERCE,
Atlantic City, N. J., Tuesday, July 17, 1951.

EXECUTIVE SESSION

The subcommittee met, pursuant to notice, in room 532, Hotel Traymore, Senator Lester C. Hunt, presiding.

Present: Senator Hunt.

Also present: Richard G. Moser, chief counsel, and John J. Winberry, special consultant.

Senator HUNT. This is a meeting of the Senate Special Committee Investigating Crime in Interstate Commerce. The witnesses will be sworn and counsel will do the questioning.

* * * * *

Senator HUNT. Would you stand and be sworn, please?

Mr. ORMAN. Yes, sir.

Senator HUNT. In the testimony you are about to give do you solemnly swear to tell the truth, the whole truth, and nothing but the truth, so help you God?

Mr. ORMAN. I do.

FURTHER TESTIMONY OF HERMAN ORMAN, ATLANTIC CITY, N. J.

Mr. MOSER. Mr. Orman, when you testified the other day, you were asked to produce records with regard to your income, and so forth, and you had a little book.

Mr. ORMAN. That is right, sir.

Mr. MOSER. Have you got that book with you?

Mr. ORMAN. I do.

Mr. MOSER. It is the book marked "Exhibit P"; is that correct?

Mr. ORMAN. That is correct.

Mr. MOSER. Will you please produce that book?

Mr. ORMAN. No; I will not.

Mr. MOSER. You refuse to do so?

Mr. ORMAN. I do, sir.

Mr. MOSER. You understand that book is an exhibit before this committee, do you not?

Mr. ORMAN. I do.

Mr. MOSER. And why do you refuse to show it to the committee?

Mr. ORMAN. Because I do not want it to become public property, to be given to the newspapers. That is my personal business.

Mr. MOSER. Is it giving it to the newspapers to give it to us?

Mr. ORMAN. I think so.

Mr. MOSER. You do?

Mr. ORMAN. Yes.

Mr. MOSER. You refuse to produce it before this closed session of the committee on that ground?

Mr. ORMAN. Unless I have an assurance that it will not be given to the newspapers. I must be assured of that first. First of all, this is not pertinent to this investigation, as far as I could determine, but I was very nice and gracious enough to sit through two and a half hours of my income taxes, which I think have nothing to do with this investigation, as far as crime and what this investigation is headed under. I had nothing to do with that. I sat here and tried to be very helpful.

Senator HUNT. The committee has not come up here to be lectured by you. You will answer what questions you wish to answer. What questions you do not wish to answer, you may not answer. All you need to do is say so.

Mr. ORMAN. I am not lecturing. I am just speaking for myself.

Mr. MOSER. You say it is not material to this committee, but will you please let us see it and ascertain whether it is material?

Mr. ORMAN. I showed it to the counselor the other day, to Mr. Lane.

Mr. MOSER. Did he look at it?

Mr. ORMAN. He wanted me to read it into the record.

Mr. MOSER. The record indicates that you did not give him a chance to read it, but that you insisted that he hand back the book to you.

Mr. ORMAN. Sir, I gave Mr. Lane the book and he asked me if I would please read this book into the record, and I said only with the provision—

Mr. MOSER. I find nothing in here which says he asked you to read it into the record. Senator Hunt said: "Will you turn that book over to the stenographer, so he can give it an exhibit number?"

Mr. ORMAN. That was afterward, sir. I asked Senator Hunt, when he asked me if I would turn it over to the stenographer, if he would assure me I would get the book back.

Mr. MOSER. Here is what the testimony says:

"Mr. LANE. Will you produce that (referring to the book)?"

"Mr. ORMAN. Yes, sure."

You produced the book.

Then he said: "Can you tell us what your gross income was roughly for the first 6 months of 1951?"

You said: "Not offhand, somewhere between \$15,000 and \$16,000."

"Mr. LANE. Will this book indicate all your income for 1951 to date?"

And you said: "As far as I know."

Then Mr. Lane said: "Can you, by running quickly through this book, indicate such an income as \$15,000 or \$16,000?"

You said: "Yes, let me have it. I am more familiar with it. I know my own figures."

Mr. ORMAN. That was to determine an amount. If he would give me the book and a pencil, I would do it.

Mr. MOSER. I read what he said. Further, Mr. Lane said:

"We do not want to deprive you of that book. Will you simply read into the record the financial record you have?"

You said:

"I will give you the gross amount. I will read you the gross amount."

Mr. MOSER. Will you please let me see the book?

Mr. ORMAN. I will let you see the book.

Mr. MOSER. Then please do so.

Mr. ORMAN. Is it not going to be read into the record?

Mr. MOSER. I am not going to decide now whether it will go into the record; if it is material, it will certainly go into the record.

Mr. ORMAN. I refuse to give you the book.

Mr. MOSER. You refuse to give me the book on the sole ground of your not wanting to go into the record?

Mr. ORMAN. I don't care about it going into the record.

Mr. MOSER. I want an exact statement of the ground for refusing to show us the book.

Mr. ORMAN. I don't want the contents of this book to be published in the newspapers and made public property as there have been some other statements made before about myself. I do not know by whom. I am in business in this town.

Mr. MOSER. What is your business?

Mr. ORMAN. The hotel business.

Mr. MOSER. Is that your only business?

Mr. ORMAN. Public relations and real-estate work.

Mr. MOSER. Those are your only businesses?

Mr. ORMAN. That is right, sir.

Mr. MOSER. We are not in a position to commit ourselves as to what will be made public from the records of this committee and what will not. We, therefore, remind you that if you refuse to show us that book, you expose yourself to a charge of contempt, and I ask you again to hand me that book.

Mr. ORMAN. No; I will not, sir.

Mr. MOSER. And you refuse?

Mr. ORMAN. I do, sir.

Mr. MOSER. You are excused, except we want to give you a subpoena.

I have another question or two. You have an account at the Boardwalk Guaranty Bank?

Mr. ORMAN. Boardwalk National Bank and the Guaranty Trust Bank.

Mr. MOSER. Guaranty Bank and Trust Co.?

Mr. ORMAN. Yes.

Mr. MOSER. What is the title of the account at the Boardwalk National Bank?

Mr. ORMAN. H. Orman.

Mr. MOSER. Is the word "attorney" listed after your name?

Mr. ORMAN. That is right.

Mr. MOSER. What is the significance of the word "attorney"?

Mr. ORMAN. I don't know. I have had that there for 8 or 9 years. Due to some lost checks at one time, it was set up that way. When I started a new account, I kept it that way.

Mr. MOSER. Is that a purely personal account?

Mr. ORMAN. That is right.

Mr. MOSER. What money goes into that account, money that belongs to you?

Mr. ORMAN. No special money, money that belongs to me.

Mr. MOSER. No money that belongs to anybody else?

Mr. ORMAN. Not to my knowledge.

Mr. MOSER. It is all yours?

Mr. ORMAN. Yes.

Mr. MOSER. Is it income or other types of money?

Mr. ORMAN. It may be income. I don't know all the transactions offhand. Some may be exchanges, but I think it is mostly personal income.

Mr. MOSER. On December 21, 1950, you made a deposit in that account of \$15,000. Would you tell us what that was for?

Mr. ORMAN. Money I borrowed.

Mr. MOSER. Money you borrowed?

Mr. ORMAN. Yes.

Mr. MOSER. From whom did you borrow?

Mr. ORMAN. I just forget. I borrowed it to purchase something.

Mr. MOSER. That was only 6 months ago. You don't remember whom you borrowed it from?

Mr. ORMAN. There were three or four transactions. I don't remember which one, unless I refer back to my bank statement and everything else.

Mr. MOSER. You deposited—

Mr. ORMAN. \$25,000—\$15,000, \$5,000, and \$5,000—in the month of December.

Mr. MOSER. You borrowed \$25,000?

Mr. ORMAN. That is right.

Mr. MOSER. From whom did you borrow that?

Mr. ORMAN. From a friend of mine.

Mr. MOSER. What is his name?

Mr. ORMAN. I cannot tell you.

Mr. MOSER. You do not know?

Mr. ORMAN. I won't tell you; no.

Mr. MOSER. Why?

Mr. ORMAN. I don't want to tell you.

Mr. MOSER. You refuse to answer? On what ground?

Mr. ORMAN. It is my personal affairs.

Mr. MOSER. You just refuse to answer?

Mr. ORMAN. That is right. It is my personal affairs.

Mr. MOSER. Under that you are running the risk of a charge of contempt if you refuse to answer that, do you know?

Mr. ORMAN. I do, sir.

Mr. MOSER. You still refuse to answer?

Mr. ORMAN. I do, sir.

Mr. MOSER. On September 30, 1949, you made a deposit of \$10,500. What was the source of that money?

Mr. ORMAN. I don't know offhand.

Mr. MOSER. You don't remember?

Mr. ORMAN. Not offhand.

Mr. MOSER. Will you please check on that and be in a position to answer that when you next appear before the committee?

Mr. ORMAN. I will see.

Mr. MOSER. You will see?

Mr. ORMAN. Yes.

Mr. MOSER. But you are not sure?

Mr. ORMAN. I am not sure.

Mr. MOSER. You are not sure whether you will look?

Mr. ORMAN. I will look.

Mr. MOSER. You will look?

Mr. ORMAN. Yes; I will definitely look.

Mr. MOSER. Then you will decide whether it will be convenient to tell us?

Mr. ORMAN. It isn't a matter of being convenient. It is a question of whether I think it is pertinent.

Mr. MOSER. Whether you think it is pertinent?

Mr. ORMAN. That is right.

Mr. MOSER. If you don't think it is pertinent, in your opinion, you won't tell us?

Mr. ORMAN. That is right.

Mr. MOSER. Will you make a similar check with regard to all deposits in excess of \$5,000 made in that account?

Mr. ORMAN. In 1949?

Mr. MOSER. For the period from February 8, 1943, to the present time.

Mr. ORMAN. From February 8, 1943, until the present time?

Mr. MOSER. Yes.

Mr. ORMAN. I can't do it. I don't have any records from '43 to the present time.

Mr. MOSER. What are the most recent records you have?

Mr. ORMAN. 1951.

Mr. MOSER. The most recent records are 1951?

Mr. ORMAN. Yes.

Mr. MOSER. Have you thrown everything else away?

Mr. ORMAN. Yes.

Mr. MOSER. Why?

Mr. ORMAN. I didn't think it was necessary to keep it after I filed my income-tax returns.

Mr. MOSER. Did you ever have your income-tax return examined?

Mr. ORMAN. Six or eight times.

Mr. MOSER. Did the examining agencies ask you for underlying records?

Mr. ORMAN. I showed them what I had at the time.

Mr. MOSER. Did they ask you if you had any other records?

Mr. ORMAN. I don't remember. They may have.

Mr. MOSER. Did you explain to them that you had thrown away all of your records?

Mr. ORMAN. Yes.

Mr. MOSER. Was that a satisfactory explanation?

Mr. ORMAN. As far as I can remember.

Mr. MOSER. Is it your customary practice to throw all records away for all previous years?

Mr. ORMAN. It was. I didn't think it was necessary to keep them.

Senator HUNT. First, Mr. Orman, I will direct you to hand to the committee the account book that you have on your lap with reference to your 1951 accounts.

Mr. ORMAN. I won't do so.

Senator HUNT. Mr. Orman, the acting chairman directs you to answer the questions asked you by the counsel with respect to the deposits of \$5,000, \$15,000, and \$5,000 on December 14, 21, and 26 of 1950.

Mr. ORMAN. No answer.

Mr. MOSER. What was your answer?

Mr. ORMAN. No answer.

Mr. MOSER. You refuse to answer?

Mr. ORMAN. I refuse to answer.

Senator HUNT. That is all, Mr. Orman.

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